

## Section

# 4

## Houston's Second Administration

### Main Ideas

1. During his second term, Sam Houston tried to reduce the national debt and make peace with Indians.
2. The Regulator-Moderator War was a feud in East Texas.

### Why It Matters Today

In 1841 the Republic's debt had become a major national problem. Use current events sources to learn about a current nation's debt.

### Key Terms

- balanced budget
- Treaty of Tehuacana Creek
- Regulator-Moderator War

## The Story Continues

Texan James Morgan was worried about his future. He hoped to make money in a new business deal but was concerned about land prices. A piece of land that had been worth \$55,000 two years earlier had sold at auction for only \$800. Morgan was shocked by the price. "We're perfectly drained & times awfully hard indeed in the money way," he wrote a friend.



TEKS: 1B, 4A, 17C,  
21B, 21E, 22D

### myNotebook

Use the annotation tools in your eBook to take notes on the highlights of Sam Houston's second presidency.



## Houston Returns to Office

Times were hard indeed in 1841 when Texans returned to the polls to elect a new president. Sam Houston and David G. Burnet both ran for the office. Although people had turned against Houston during his first term, they chose him again to lead them. They had grown unhappy with Lamar's American Indian policy, the worthless redbacks, and the rising debt. They elected Edward Burleson as vice president.

In his second term as president, Houston struggled to reduce the growing national debt. He hoped to achieve a **balanced budget**, or one in which spending does not exceed revenue. To save money, Houston cut government jobs and salaries. He also cut the size of both the Texas army and the Texas Rangers. Houston even persuaded the Congress to sell the navy, though the sale was never carried out. As a result of these cut-backs, government spending dropped from \$4.8 million during Lamar's

**Money in the Republic**

The so-called redbacks and other paper notes issued by the Republic of Texas were much less stable than U.S. currency. Today, the value of a dollar bill does not change wildly. In the Republic, the value of a note rose or fell drastically based on society's confidence in the government.

Technically speaking, the Republic's notes were promissory notes, or IOUs, documents that represented a promise by the government to pay the bearer a certain amount of money. Because that money was given to whoever had the note, redbacks could be traded in exchange for goods and services. However, the notes' value depended on whether people believed that the government would actually pay the full amount. As Texans' faith in the government declined, they expected to get less in return for their notes, and the value fell. In most of Texas, a one-dollar note was worth only 32 cents, and in some places it was only worth 2 cents.

**Why did redbacks lose their value over time?**



presidency to a little more than \$500,000. Even with this drastic reduction, though, Houston could not balance the budget. The Republic's debt continued to rise, reaching \$12 million by 1845.

In an attempt to solve the nation's money-supply problems, Houston had new paper money notes printed to replace the redbacks. The government restricted how much of this money was issued to try to maintain its value. However, the value of the new money quickly fell because Texans had little faith in the money their government issued.

President Houston also returned Texas to the peaceful American Indian policy of his first term. He established more frontier trading posts to encourage trade with Texas Indians, and he signed peace treaties with various groups. Many Texas Indians began working for peace at the same time. In August 1842 the Caddos signed a peace treaty with the Texas government. They also agreed to help persuade 20 other Indian groups to attend a peace council. In March 1843 nine Indian groups—including the Caddos, Tawakonis, and Wacos—met with Texas officials. This council was held at Tehuacana Creek, south of present-day Waco. The Indians and Texas leaders agreed to stop fighting. They planned a larger peace council to be held in September at Fort Bird on the Trinity River, near present-day Dallas. There Texas officials and nine Indian groups signed a treaty to put an end to fighting.

The Comanches, still angered by the massacre at the Council House, did not attend. However, in October 1844 Houston and Chief Buffalo Hump of the Penateka Comanches met at Tehuacana Creek and signed the **Treaty of Tehuacana Creek**. Although the agreement established peace and trade between the two groups, it did not set boundaries for Comanche land. This issue later resurfaced and caused tension between Texans and the Comanches. Nonetheless, under Houston's guidance, peace between American Indians and Texans was restored.

**Reading Check Making Generalizations and Predictions** Do you think Houston's peace policy will succeed? Explain your answer.

## ★ The Regulator-Moderator War

While relations with Texas Indians were improving, violence broke out among Texans in Shelby County in East Texas. This region, known as the Redlands, bordered on the old Neutral Ground. Law enforcement was weak in the area, and as a result, many bandits and outlaws had moved there. One resident described the people who lived in the Redlands.

### TEXAS VOICES

“It is nothing uncommon for us to inquire of a man why he ran away from the [United] States. Few persons feel insulted by such a question. They generally answer for some crime or other which they have committed.”

—W. B. DeWees, *Letters from Texas*

In 1840 a feud began between Alfred George and Joseph Goodbread over fake land certificates. An acquaintance of George’s, outlaw Charles Jackson, killed Goodbread and formed a band that became known as the Regulators. In response, allies of Goodbread formed the Moderators. Both sides attacked each other and anyone else who got in their way. Violence broke out between the two groups almost immediately.

Local officials, many of whom had become involved in the feud, could not stop the violence. People were ambushed and shot. Judges were threatened, and prisoners hanged without trial. Houses were burned, and people were left homeless. Eventually, each side numbered in the hundreds.

Finally, in August 1844 President Houston sent soldiers to stop the feud. These troops arrested the leaders of each side of the conflict, ending the **Regulator-Moderator War**. Peace returned to East Texas.

**Reading Check Sequencing** Describe in order the events that led to the Regulator-Moderator War.



*Houston sent troops to end the Regulator-Moderator War. Few soldiers had fine uniforms like this one, which belonged to a Texas officer.*



## Section 4 Review



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ONLINE QUIZ

### 1. Define and explain:

- balanced budget

### 2. Identify and explain

the significance of each of the following in Texas history:

- Treaty of Tehuacana Creek
- Regulator-Moderator War

### 3. Identifying Cause and Effect

Copy the graphic organizer below. Use it to list reasons Sam Houston was elected to a second term. Then list the effects of this election.

Causes	Event	Effects
1.	Houston is elected to a second term as president.	1.
2.		2.
3.		3.

### 4. Finding the Main Idea

- How did Sam Houston attempt to solve the Republic’s economic problems?
- What were the results of Houston’s peace policy toward American Indians?

### 5. Writing and Critical Thinking

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**Supporting a Point of View** Do you agree with Houston’s decision to send in troops to put down the Regulator-Moderator War? Provide reasons to support your answer.

Consider the following:

- violence resulting from the feud
- local officials’ role in the feud